EFFECT OF TRANSFORMATIONAL AND TRANSACTIONAL LEADERSHIP STYLE ON PUBLIC HEALTH CENTRE PERFORMANCE

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Abstract

This study aims to analyze the effect of transformational and transactional leadership styles on the performance of Health Center or Puskesmas in Pati, Central Java. The research respondents were employees and staff at the Puskesmas 120 people and the method of data collection was by giving an electronic questionnaire to respondents who were distributed randomly in December 2019. This research analysis tool uses SEM (Structural Equation Model) LISREL program version 8.70. Based on the data analysis shows that the transformational leadership style has a positive and strongly significant effect on the performance of puskesmas employees and the transactional leadership style also has a strongly significant and positive effect on puskesmas employee performance. The research suggestion is the leadership style of the Puskesmas head should use transactional and transformational style such as instruction, consultation, participation and delegation with the performance of Puskesmas staff such as attendance, cooperation, quality of work, attitudes, and knowledge about work to solve everyday problems. Puskesmas leaders must adopt a more flexible leadership style in accordance with the existing situation for better performance of Puskesmas staff.

Keywords: Transformational, Transactional, Leadership Style, Work Performance.

1. Introduction

In Pati Central Java in 2017 had a population of 1,239,693 and had 29 Puskesmas and 7 hospitals. Development Puskesmas organizations really need to pay attention human resources, organizational development, leadership, and career development an adequate number of Puskesmas in Pati should show quality health service performance. Appearance and quality of health services in accordance with existing standards, but for the region foreign tourism, quality health services. The program needs to be further improved promotion, prevention, treatment and recovery. By Therefore, it is necessary to improve management aspects human resources, referral services, support logistics, and operational costs that determine quality health services provided to the community. This increase is caused by awareness the community goes to the puskesmas for treatment faster and cheaper services. Several previous studies have some topic of the influence of leadership style on performance by Dwiantoro et al. (2018) concluded that the type of transactional leadership style has a significant positive effect on performance, the type of transactional leadership style has a significant influence on the impact of transformational performance. leadership on employee performance, and transactional leadership does not affect employee performance.

According Asbari et al. (2019) conducted a study and concluded that the influence of transformational leadership styles on performance. Transactional leadership style does not affect performance. According to Aqmarina et al (2014) conducted a study and concluded that the type of transformational leadership was
negative and did not significantly affect employee transactional leadership performance while there was no significant effect on employee performance.

According to Wahyuniardi et al. (2015) the type of transformational leadership has a significant effect on job satisfaction, the type of transformational leadership has no significant effect on employee performance, organizational culture has no significant effect on employee performance, and job satisfaction is not significant. affect employee performance. To improve employee performance can be done by increasing job satisfaction if job satisfaction increases, employee performance will also increase. According to Birasnav et al. (2012) have also examined leadership and research results show that transformational leadership style and transactional styles have a strong and positive effect on organizational performance after controlling the impact of transactional leadership. Some of research conducted by Shih et al (2012), Tsai et al (2015), Qijun et al (2016) concludes that transactional and transformational leadership affect performance.

Health services provided for patients and the community includes health services in Puskesmas and in hospitals. Service health at the Puskesmas includes first-level outpatient care, inpatient care first level, normal delivery at the Puskesmas and its network, services emergency department, and transport services for referral for patients. While Hospital services include advanced outpatient, inpatient care advanced level, medicine and consumable services, medical support services, and action and operations services. Coverage of outpatient health care services in 2018 amounted to 964,957 lives (77.8%), down compared to 2017 by (100%), in 2016 in the amount of 953,296 people (76.9%), in 2015 (98.8%), in 2014 amount 1,121,998 people (92.9%). Outpatient coverage is the coverage of new outpatient visits at public and private health service facilities in one work area at certain times. The scope of this outpatient visit includes outpatient visits at the health center, outpatient visits at the hospital, and outpatient visits in other health service facilities. Scope outpatient visits in Pati Regency in 2018 amounted to 77.8% down compared to 2017 by 100%, in 2016 by 76.9%, in 2015 amounted to 98.8%, in 2014 it was 92.9%, in 2013 it was 104.41%. The objective of this research is to analyze the effect of transformational leadership and transactional leadership influence style on work performance of Public Health Center.

2. Literature Review

Transformational Leadership Style

According to Yukl (2010) found that the Transformational leadership style expressed the moral values of followers in their efforts to raise their awareness about ethical issues and to mobilize their energy and resources to reform institutions. According to Bass (1996) that transformational leadership is defined as a leader who has the power to influence his subordinates in a certain way, transformational leadership is defined as a leader who strengthens mutual cooperation and team learning with his subordinates. Meanwhile, according to O'Leary (2001) transformational leadership is the leadership style used by a manager if he wants a group to expand its authority and have performance outside the status quo or achieve an entirely new set of organizational goals. Transformational leaders can successfully change the status quo in their organizations by practicing appropriate behavior at each stage of the transformation process. According to Bass (1985) states that transformational leadership is leadership that goes beyond exchange or appreciation only for the performance shown by followers but is based more on trust and commitment (Jung and Avolio, 1999). Transformational leaders pay attention to the development needs of each follower and problem by helping them see old problems in new ways, and they are able to motivate, nurture, awaken, awaken, and inspire followers to make extra efforts to achieve group goals. This transformational leadership is truly called true leadership because it really works towards the goals that direct the organization to goals that have never been achieved before (Locke 1997) With transformational leadership, subordinates will feel trusted, valued and subordinates will appreciate their leaders more.

According to Bass (1990) explains about the dimensions of transformational leadership, such as Charisma is the ability of leaders to arouse pride, trust and respect for their subordinates and able to effectively communicate the mission and vision of the organization they lead. the extent to which leaders communicate interesting visions, use symbols to focus the efforts of subordinates and express important goals in a simple way ‘. Intellectual stimulation, is the behavior of leaders who encourage their subordinates to always innovate and be creative in solving the problems they face, offering new ideas to stimulate their subordinates to rethink old ways of getting work done and to influence subordinates to see problems from a new perspective. Individual
consideration, is the behavior of leaders who are always concerned with the development of the abilities of their subordinates, treat subordinates as individuals, to understand the desires of subordinates and function as advisors.

**Transactional Leadership Style**

The definition of transactional leadership is inseparable from (Burn et al, 1978), namely leadership which deals with motivating followers by calling on their personal interests (Yukl et al, 2010). Transactional leadership style can involve values, but those values are relevant to exchange processes such as honesty, responsibility, and reciprocity. According to Bas et al, (1998) suggests that the relationship of transactional leaders with their subordinates is reflected in three things, The leader knows what the subordinates want and will explain what the subordinates will get if the work is in line with expectations. The leader exchanges the efforts made by subordinates in return. Leaders are responsive to the personal interests of subordinates as long as those interests are proportional to the value of the work done by subordinates. Bass et al, (1985) also argues that the characteristics of transactional leadership consist of two aspects, contingent rewards is the leader informs his subordinates about what their subordinates must do if they want to get certain rewards and guarantees that the subordinates will get what they want in lieu of the effort done. Exception management is the leader trying to maintain the achievements and workings of his subordinates, if there is a mistake the leader immediately acts to improve it.

**Work Performance**

Basri et al. (2016) the definition of performance is the result or level of success of a person or overall during a certain period in carrying out his duties compared with various possibilities, such as work results, targets or targets or criteria that have been determined in advance and agreed upon. Fahmi et al (2012) states that performance is the result obtained by organizations both those organizations that are profit oriented and nonprofit oriented that are generated during a particular period. Sedarmayanti et al (2018) suggests the following performance indicators, Work quality (quality of work) is the quality of work achieved based on the conditions of suitability and high readiness which in turn will give birth to appreciation and progress and organizational development through systematic improvement of knowledge and skills in accordance with the demands of rapidly developing science and technology, Timing (promptness), which is related to the suitability of work completion or not with the planned target time. Initiative (initiative) that is having self-awareness to do something in carrying out tasks and responsibilities. Subordinates or employees can carry out tasks without having to rely continuously on superiors. Capability (capability) that is among several factors that affect a person's performance, it turns out that which can be intervened or treated through education and training is an ability factor that can be developed Communication (communication), is the interaction carried out by the limitation to subordinates to express suggestions and opinions in solving problems encountered. Communication will lead to better cooperation and relationships that will be more harmonious between employees and superiors, which can also lead to a sense of unity in harmony

3. **Methods**

**Research Design and Hypothesis**

Based on the results of previous research studies the conceptual framework of this research model is as follows:
Based on the conceptual framework of the research model above, the following hypothesis is determined:

H1: There is a positive and significant influence between transformational leadership style (X1) on the performance of Puskesmas employees (Y).
H2: There is a positive and significant influence between the transactional leadership style (X2) on the performance of Puskesmas employees. (Y) For hypothesis 1, the independent variable is a type of transformational leadership style (X1), while the dependent variable (the dependent variable) is the work performance of Puskesmas (Y). For hypothesis 2, the independent variable is the transactional leadership style (X2) and the dependent variable is the work performance of the Puskesmas.

**Method of Collecting Data**

The data to be processed in this study are primary data from respondents. The primary data collection method uses a questionnaire with a Likert scale with a random system. The answer to each statement made five alternative answers and assessment for each answer given weight a). Never score: 1, b). Uncommon Score 2, c). Sometimes a score of 3, d). Often a score of 4 and e). Always 5.

The transformational leadership variable (X1) has the Charisma, Inspiration, Intellectual stimulation, and consideration indicators with five Individual statement items. Transactional leadership variables, including contingent reward factors, management of exclusion factors (management with exceptions (active and passive) and Laissez-Faire. Indicators of work performance variables include factors such as number of jobs, quality of work, efficiency, business employees, professional standards, accuracy and creativity with statement item 5. Respondents in this study were 120 Puskesmas staff.

**Table 3.1 Profile of Respondents**

<table>
<thead>
<tr>
<th>Old</th>
<th>Qty People</th>
</tr>
</thead>
<tbody>
<tr>
<td>20 - 29 Years</td>
<td>30</td>
</tr>
<tr>
<td>30 - 39 Years</td>
<td>55</td>
</tr>
<tr>
<td>40 - 49 Years</td>
<td>35</td>
</tr>
<tr>
<td>Gender</td>
<td></td>
</tr>
<tr>
<td>1. Male</td>
<td>90</td>
</tr>
<tr>
<td>2. Female</td>
<td>30</td>
</tr>
<tr>
<td>Education</td>
<td></td>
</tr>
<tr>
<td>1. DIII</td>
<td>27</td>
</tr>
<tr>
<td>2. S1</td>
<td>90</td>
</tr>
<tr>
<td>3. S2</td>
<td>3</td>
</tr>
<tr>
<td>Employee Status</td>
<td></td>
</tr>
<tr>
<td>1. PNS</td>
<td>80</td>
</tr>
<tr>
<td>2. Honorer</td>
<td>40</td>
</tr>
</tbody>
</table>
Technical Analysis Data

Analysis of the data in this study uses a linear Structural Equation Modeling (LISREL) software that can be tested with the relationship between latent variables and their indicators. The value of construct validity and reliability of each indicator in this study can be done by using the Confirmatory Factor Analysis (CFA) value. Validity and reliability testing will be performed using confirmatory factor value analysis to obtain valid and reliable data. Analysis in this way is the second order confirmatory factor (2nd Order CFA) is a measurement model consisting of two levels.

4. Results and Discussion

According to Williams and Gavin (2012) have done research using LISREL 8.71 software and the initial stage of analysis that we made is the usual research model or referred to as a path diagram, then connecting between independent and dependent variables. Furthermore, the data obtained from the questionnaire collection is added to the file or Excel or SPSS LISREL. The method for data analysis can be done using Structural Equation Model (SEM) is a Linear Structural Model (LISREL) software version 8.71 from Joreskog and Sorbom (2008) through CFA Order 2 criteria for loading factor values (> 0.5) and for values of t (> 1.96) are shown as shown below:

![Figure 4.1 Value loading factor of CFA order](source)

![Figure 4.2 Value t of order CFA](source)
Based on Figure 4.1 and Figure 4.2 it can be concluded that there are some positive error variance values because there are no negative error variance values. If there is a negative error variance, then the variables observed in the equation will be removed from the model. The initial step of the analysis is carried out on the latent construct aspects of the indicator. Based on the above analysis shows that the value of all loading factors is above 0.5 (> 0.5) and all t-values required to test the significance of the value of the loading factor are greater than 1.96 (> 1.96). This means that the whole item is valid and significant. A summary of the results of the analysis above can be seen in the following table:

<table>
<thead>
<tr>
<th>Variable</th>
<th>Item</th>
<th>Loading factor</th>
<th>T-Value</th>
<th>Information</th>
</tr>
</thead>
<tbody>
<tr>
<td>Transformational Leadership (X1)</td>
<td>X11</td>
<td>0.44</td>
<td>7.42</td>
<td>Sig</td>
</tr>
<tr>
<td></td>
<td>X12</td>
<td>0.86</td>
<td>3.66</td>
<td>Sig</td>
</tr>
<tr>
<td>Transactional leadership (X2)</td>
<td>X21</td>
<td>0.36</td>
<td>6.07</td>
<td>Sig</td>
</tr>
<tr>
<td></td>
<td>X22</td>
<td>1.05</td>
<td>15.15</td>
<td>Sig</td>
</tr>
<tr>
<td>Work Performance (Y)</td>
<td>Y1</td>
<td>0.49</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Y2</td>
<td>0.99</td>
<td>8.41</td>
<td>Sig</td>
</tr>
</tbody>
</table>

Source: Internal data that has been processed

The second level of analysis is then carried out on latent construction to build its aspects. Based on the test results and analysis above shows that the value of loading factor obtained is entirely above 0.5 (> 0.5) and all values of t needed to test the significance level of the value received by loading factor is greater than 1.96 (> 1.96). A summary of the results of the analysis mentioned above can be shown in Table 4.2.

<table>
<thead>
<tr>
<th>Variable</th>
<th>Item</th>
<th>Loading factor</th>
<th>T-Value</th>
<th>Information</th>
</tr>
</thead>
<tbody>
<tr>
<td>Transformational leadership</td>
<td>X1</td>
<td>0.63</td>
<td>4.50</td>
<td>Sig</td>
</tr>
<tr>
<td>Transactional leadership</td>
<td>X2</td>
<td>0.35</td>
<td>2.80</td>
<td>Sig</td>
</tr>
</tbody>
</table>

Source: Internal data that has been processed

The results of this analysis can be concluded that the two variables consist of transformational leadership and the transactional leadership style the results are concluded valid and significant. The results of this validity are also strengthened by the Chi-Square (r) value which produces a value of 236.69. Based on the CR construct reliability calculation formula, the value is 0.78 and the value is 0.69 and it can be concluded VE that the variable has good reliability. According to Hair (2010) states that the construct value has good reliability if the value of Construct Reliability (CR) ≥ 0.07 and the variance extracted value (VE) ≥ 0.40.

<table>
<thead>
<tr>
<th>Variable</th>
<th>Item</th>
<th>Loading factor</th>
<th>Error</th>
<th>CR</th>
<th>VE</th>
</tr>
</thead>
<tbody>
<tr>
<td>Transformational leadership (X1)</td>
<td>X11</td>
<td>0.44</td>
<td>0.19</td>
<td>0.78</td>
<td>0.69</td>
</tr>
<tr>
<td></td>
<td>X12</td>
<td>0.86</td>
<td>0.09</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Transactional leadership (X2)</td>
<td>X21</td>
<td>0.36</td>
<td>0.21</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>X22</td>
<td>1.05</td>
<td>0.16</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Work Performance (Y)</td>
<td>Y1</td>
<td>0.49</td>
<td>0.21</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Y2</td>
<td>0.99</td>
<td>0.12</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Source: Internal data that has been processed
Based on the results of the analysis of the calculation of reliability and validity it can be concluded that the reliability of the measurement model is good. Testing the measurement model, it has been proven that the research meets the validity and reliability requirements of all stages of testing.

**Goodness of Fit (GOF) Analysis**

Based on result of testing the suitability of the model as a whole or overall model fit on the analysis of GOF statistical values generated by the Lisrel program is shown in Figure 2. For the suitability of the model (model fit) is quite good and for the model to meet the criteria of validity and reliability, as shown in table 4.4.

<table>
<thead>
<tr>
<th>Fit Index</th>
<th>Value</th>
<th>Value Standard</th>
<th>Information</th>
</tr>
</thead>
<tbody>
<tr>
<td>Chi-Square</td>
<td>296.47</td>
<td>&gt;0.5</td>
<td>Good</td>
</tr>
<tr>
<td>Index of Normed Fit (NFI)</td>
<td>0.92</td>
<td>&gt;0.90</td>
<td>Good</td>
</tr>
<tr>
<td>Index of Non-Normed Fit (NNFI)</td>
<td>0.94</td>
<td>&gt;0.90</td>
<td>Good</td>
</tr>
<tr>
<td>Index of Comparative Fit (CFI)</td>
<td>0.92</td>
<td>&gt;0.90</td>
<td>Good</td>
</tr>
<tr>
<td>Index of Incremental Fit (IFI)</td>
<td>0.91</td>
<td>&gt;0.90</td>
<td>Good</td>
</tr>
<tr>
<td>Index of Relative Fit (RFI)</td>
<td>0.92</td>
<td>&gt;0.90</td>
<td>Good</td>
</tr>
</tbody>
</table>

Source: Internal data that has been processed

Based on the results of the above analysis, it can be seen that indexes fit to state that the model is fit. These results indicate that the variable is declared valid and reliable so that it can be concluded that the overall model is still a good match.

\[
\text{PERF} = 0.35 \times \text{TRANS} + 0.63 \times \text{TRANF}, \quad \text{Errorvar.} = 0.18, \quad R^2 = 0.82
\]

\[
(0.12) \quad (0.14) \quad (0.071)
\]

\[
2.88 \quad 4.50 \quad 2.56
\]

Based on the test results and data analysis above, it can be concluded that the transformational leadership style has a positive and significant effect on work performance with the statistical value of t obtained at 4.50 > 1.96 with a non-standard coefficient of 0.63. For transactional leadership style is also a positive and significant effect on the performance of puskesmas employees with a statistical value of t obtained 2.88 > 1.96 with non-standard coefficient at 0.35. The goodness of fit model produced is quite good with a chi-square value of 296.4. For the criteria for goodness of fit, the others have also fulfilled good requirements as needed.

**Hypothesis Testing**

**H1:** There are significant influence of transformational leadership style \((X1)\) on the work performance of the Puskesmas \((Y)\).

Based on the results of the above analysis it can be seen that the transformational leadership style is a positive and significant effect on work performance of with the value of t statistics obtained amounted to 4.50> 1.96 with its unstandardized coefficient at 0.63. Some previous studies related to the influence of leadership style on performance namely Dwiantoro et al. (2017) examined that the transformational leadership style had a significant positive effect on performance, the transactional leadership style had a significant negative effect on performance. Iswatiningsih et al (2018) examined that there was no significant effect between transformational leadership on employee performance, there is a significant influence between transactional leadership on employee performance. Furthermore Ratnamiasih et al (2014) concluded that to improve the performance of transactional leadership employees had more roles than transformational leadership.
Research results from Rahim, Lengkong et al (2018) concluded that transformational leadership influences employee performance and transactional leadership does not affect employee performance. Hidayati (2014) examined that transformational leadership influences employee performance while transactional leadership has no effect on employee performance. Rosnani (2012) transactional leadership does not have a significant positive effect on performance. Transformational leadership has a significant positive effect on job satisfaction. Eng Sun et al. (2018) concluded that transformational leadership style influences performance. Transactional leadership style has no effect on performance. Hamidah et al. (2016) transformational leadership has a negative and not significant effect on employee performance and transactional leadership has no significant effect on employee performance. Purwanto et al (2019) state that transformational leadership affected work performance positive and significant. Asbari et al (2019) state that transformational leadership affected work performance positive and significant.

H2: There are significant influence of transactional leadership style (X1) on the work performance of the Puskesmas (Y).

For transactional leadership style is also a positive and significant effect on the work performance of the Puskesmas with the value of t statistics obtained for 2.88 > 1.96 with a coefficient unstandardized at 0.35. Prasad et al. (2016) transactional and transformational leadership behaviors influence significant and positively organizational innovation and organizations benefit more from transformational leadership. idealized leadership and transactional leadership in transformational leadership very important for organizational learning facilitating (Megheirkouni,2017). Megheirkouni et al. (2014) there are significant relationships between leadership styles and the skills approach, technical, human and conceptual skills, varied in the three levels of management. Baškarada (2017) identify four organizational factors (time orientation, performance, human capital, and risk appetite) and two environmental factors that are considered to have an effect on leader’s choice of transformational and transactional styles. Ivey et al (2010) transformational leadership behaviors increased with rank and expected contingent reward and not for active management by exception leadership behaviors.

Masa'deh (2016) find that both transactional and transformational leadership styles have positive and significant impact on job performance and transactional leadership impacted knowledge sharing, transformational leadership did not impacted knowledge sharing. Crawford et al. (2005) transformational leadership predicted Knowledge management behaviors significantly for 19.5 percent of the variance. Organizational position was a significant predict of knowledge management with transformational leadership for 21.1 percent of the variance of knowledge management. Rao et al (2005) suggest that transformational leadership has significant positive impact on team performance and transactional leadership has significant negative effect on team performance. Erkutlu (2008), There are significant relations between leadership behaviors and both leadership and organizational effectiveness. Transformational leadership behaviors stimulate organizational commitment and job satisfaction in the hospitality industry. Hu et al. (2010) find there is positive and significant relationship between managers transformational leadership and job satisfaction. Taylor (2014) visionary leadership have significant and positive correlation to perceived organizational effectiveness and significant correlations between high leadership behaviors and perceived organizational effectiveness. Purwanto et al. (2019) state that transactional leadership affected work performance positive and significant. Asbari et al. (2019) state that transactional leadership affected work performance positive and significant.

5. Conclusion

Based on the results of the research analysis, it can be concluded that the transformational leadership style variable (X1) has a positive and significant influence on the performance of Puskesmas employees (Y) and the transactional leadership style variable (X2) also has a positive and significant influence on the Puskesmas work performance variable (Y ). For this reason, Puskesmas leadership management must use transformational and transactional leadership styles because together they have a positive effect on the performance of Puskesmas employees. both. For this reason, leaders must pay attention to the leadership style
that will be used for subordinates because leadership style is the most influential factor in improving work performance. For further research, it will examine the influence of leadership style on the performance of puskesmas employees to add a number of other variables that are thought to influence performance, such as motivation, ability or competence of individuals and work culture. This study may have some limitations, the sample does not represent the target population, the number of samples used is inadequate. The object of this study is only at the health center. The software used for data analysis is Lisrel and many people are not familiar with this software. Data analysis in this study uses Structural Equation Model (SEM) and the results will be more valid if they also use Key Performance from work performance. The study was only Puskesmas in Pati and the results of the questionnaire might not be the same when applied to other places. These suggestions should be a link between the leadership style of the Puskesmas head such as instruction, management, consultation, participation, training and development and delegation with the performance of the Puskesmas staff such as attendance, cooperation, quality of work, attitude, and knowledge and competence about work to solve daily problems. day. Puskesmas leaders must adopt a more flexible leadership style in accordance with the existing situation for better performance of Puskesmas staff.

References


